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*Attorneys for Defendant American  
Arbitration Association, Inc.,*

**UNITED STATES DISTRICT COURT  
DISTRICT OF ARIZONA**

Stephanie Stephens; Joelle Nole;  
William Hilton; and Eugenie Balogun,  
*Individually and on behalf of all  
others similarly situated,*

Plaintiffs,

v.

American Arbitration Association, Inc.,

Defendant.

Case No.: 2:25-CV-01650-PHX-JJT

**MOTION TO STAY DISCOVERY**

**(Oral Argument Requested)**

Defendant, American Arbitration Association, Inc. (“AAA”), through undersigned counsel, respectfully moves this Court for an Order staying discovery and the parties’ disclosure obligations under Fed. R. Civ. P. 26 (“Rule 26”) until following this Court’s ruling on AAA’s pending Motion to Dismiss filed under Fed. R. Civ. P. 12(b)(6) (“Rule 12(b)(6)”).

1 Plaintiffs initiated this matter through a Complaint filed on May 15, 2025 [Dkt. 1],  
2 which was amended through the filing of a First Amended Complaint on June 18, 2025. [Dkt.  
3 11.] AAA filed its Rule 12(b)(6) Motion to Dismiss on July 22, 2025 (“AAA’s Motion to  
4 Dismiss”), which seeks dismissal of all claims in the First Amended Complaint based on the  
5 following arguments:

- 6 1. Plaintiffs fail to allege the essential elements of a predatory pricing claim;
- 7 2. Plaintiffs fail to allege an unfair or deceptive act or practice under the asserted state  
8 laws;
- 9 3. Plaintiffs’ claims are barred by the arbitral immunity statutes in all four states where  
10 Plaintiffs reside;
- 11 4. Plaintiffs fail to allege injury, causation, and redressability necessary for Article III  
12 standing;
- 13 5. Plaintiffs Stephanie Stephens’ and William Hilton’s claims should be dismissed  
14 because courts already have acknowledged arbitrability of their claims.

15 [Dkt. 14, 3:13-19.]. AAA further asked for the Court to dismiss the claims with prejudice  
16 because based on the facts as alleged, any attempt to amend the Complaint a second time to  
17 add a viable claim is futile. [*Id.* at 2:5-6, 17:4-6.] If granted, AAA’s Motion would end this  
18 case, and no discovery is necessary for this Court to consider the issues raised in AAA’s  
19 Motion to Dismiss.

20 On July 24, 2025, Plaintiffs’ counsel emailed AAA’s counsel with a request to  
21 schedule a meeting under Rule 26(f) on either August 12, 14, or 15. AAA’s counsel responded  
22 on July 25, 2025, requesting that the parties submit a joint motion to stay discovery and the  
23 parties’ disclosure requirements until this Court rules on AAA’s potentially case dispositive  
24 Motion to Dismiss. Plaintiffs’ counsel responded by refusing to join in such a motion and  
25 again demanding a meeting under Rule 26(f). Without waiving any rights to request a stay of  
26 discovery and the parties’ Rule 26 disclosure obligations, AAA’s counsel has agreed to  
27 conduct a Rule 26(f) meet-and-confer call with Plaintiffs’ counsel on August 14, 2025.  
28 Notwithstanding, a stay of discovery and all Rule 26 disclosure obligations is appropriate here  
under the circumstances.

1 “Courts may stay discovery for many reasons, including furthering efficiency for itself  
2 and the litigants.” *Winters v. Loan Depot LLC*, 2021 WL 2581332, \*1 (D. Ariz. June 23, 2021)  
3 (citing *Little v. City of Seattle*, 863 F.2d 681, 685 (9th Cir. 1988)). Where “a pending motion  
4 is ‘potentially dispositive of the entire case, and if the motion is not dependent on additional  
5 discovery, a stay is justified’” as furthering “the goal of efficiency for the courts and litigants.”  
6 *Id.* at \*2 (quoting *Lazar v. Charles Schwab & Co. Inc.*, 2014 WL 12551210, \*1 (D. Ariz. Sept.  
7 19, 2014)). In concluding that a stay was appropriate pending resolution of the defendant’s  
8 motion to dismiss, the *Lazar* Court reasoned as follows:

9 The Estate's motion to dismiss is potentially dispositive of the case and  
10 presents purely legal arguments. If the Estate's interpretation of the law is  
11 correct—that is, if Arizona law applies and if Arizona's ROD statute  
12 automatically revoked Ms. Lazar's beneficiary designation regardless of  
13 Decedent's intent—then discovery concerning Decedent's intent would be  
14 unnecessary and Ms. Lazar would not be entitled to the IRA balance as a  
15 matter of law. All parties stand to benefit from a stay of discovery pending  
16 resolution of these legal issues. If resolution of the motion to dismiss does  
not dispose of the case, it will focus the scope of discovery by identifying  
the governing law and the issues relevant to its application. If resolution  
of these purely legal issues does dispose of the case, however, a stay will  
have prevented waste of assets through needless fact discovery.

17 *Lazar*, 2014 WL 12551210 at \*2. The *Winters* Court also noted that factors favoring a stay of  
18 discovery also include factors present here, such as where the matter is in its infancy and when  
19 the parties have not started discovery nor has the court issued a scheduling order. 2021 WL  
20 2581332 at \*2 (finding no prejudice to the plaintiff under such circumstances).

21 As AAA’s Motion to Dismiss seeks dismissal of all claims asserted in the First  
22 Amended Complaint with prejudice, it is potentially dispositive of the entire case. The Motion  
23 to Dismiss also necessarily raises only legal issues. *See Navarro v. Block*, 250 F.3d 729, 732  
24 (9th Cir. 2001) (“A Rule 12(b)(6) motion tests the legal sufficiency of a claim.”). There are  
25 no issues of fact for this Court’s consideration in ruling on the Motion to Dismiss, nor is  
26 discovery appropriate or necessary for its resolution. By the very nature of a motion filed  
27 under Rule 12(b)(6), the Court only needs to consider the allegations contained in the First  
28 Amended Complaint and whether, if taken as true, those allegations give rise to a cognizable

1 legal theory upon which Plaintiffs could be entitled to relief. *See id.* (“In deciding such a  
 2 motion, all material allegations of the complaint are accepted as true....Dismissal is proper  
 3 only where there is no cognizable legal theory or an absence of sufficient facts alleged to  
 4 support a cognizable legal theory.”) AAA’s Motion to Dismiss satisfies the requirements as  
 5 set forth in *Winters* and *Lazar* for a stay of discovery.

6 This case is also in its infancy. Discovery has not yet commenced, the parties have not  
 7 exchanged disclosure statements under Rule 26, and this Court has not issued its scheduling  
 8 order. Plaintiffs will suffer no prejudice as a result of a stay. *Cf. Winters*, 2021 WL 2581332  
 9 at \*2 (“Because the case is still in its infancy and the Court need not resolve any factual issues  
 10 when deciding the pending motion to dismiss, a stay is appropriate and accomplishes the goal  
 11 of furthering efficiency.”). Staying discovery may, however, prevent the parties, and even this  
 12 Court in the event there are discovery disputes, from incurring significant time and expense  
 13 in pursuit of discovery that will be unnecessary if this Court grants AAA’s Motion to Dismiss.

#### 14 CONCLUSION

15 For the reasons discussed in this Motion, AAA respectfully moves this Court for its  
 16 Order staying discovery and all other disclosure obligations under Rule 26, pending resolution  
 17 of AAA’s Motion to Dismiss.

18 RESPECTFULLY SUBMITTED this 11th day of August, 2025.

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*Attorney for Defendant American  
 Arbitration Association, Inc.*

**CERTIFICATE OF SERVICE**

I certify that on the 11<sup>th</sup> day of August, 2025, I electronically transmitted the attached document to the Clerk's Office using the CM/ECF System for filing and transmittal of a Notice of Electronic Filing to all counsel of record.

/s/ Joshua Grabel